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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

SILICONSAGE BUILDERS, LLC aka  
SILICON SAGE BUILDERS and  
SANJEEV ACHARYA,

Defendants.

Case No. 3:20-cv-09247-SI

~~PROPOSED~~ ORDER AS  
AMENDED GRANTING MOTION  
OF RECEIVER, DAVID  
STAPLETON, FOR ORDER:  
(1) APPROVING CONSTRUCTION  
FUNDING AGREEMENT WITH ACRES  
CAPITAL;  
(2) AUTHORIZING EMPLOYMENT OF  
SPECIAL REAL ESTATE COUNSEL;  
(3) APPROVING THE FORM OF THE  
CONDOMINIUM PURCHASE  
AGREEMENTS AND AUTHORIZING  
THE SALE OF THOSE UNITS FREE  
AND CLEAR OF LIENS

Date: December 6, 2021  
Time: 11:30 a.m.  
Crtrm.: 1 – 17<sup>th</sup> Floor (hearing via Zoom)  
Judge: Susan Illston

At the above date and time, the Court held a hearing on the *Motion of Receiver, David Stapleton, for an Order: (1) Approving Construction Funding Agreement with Acres Capital; (2) Authorizing Employment of Special Real Estate Counsel; (3) Approving the Form of Purchase Agreements and Authorizing the Sale of The Units Free and Clear of Liens* (the "Motion") [Docket No. 211]. Appearances were as set forth on the record. For

1 the reasons urged in the Motion and on the record and the Court having found that the  
2 Receiver is exercising his business judgment,

3 **IT IS ORDERED AS FOLLOWS:**

4 (1) The Motion is granted;

5 (2) The Receiver is authorized to enter into the Acres Agreement and:

6 (a) the provisions of the Acres Agreement are approved, and Acres  
7 Capital, LLC, is hereby granted relief from the *Order on Plaintiff Securities and Exchange*  
8 *Commission's Motion for Appointment of Receiver* to exercise its state law remedies  
9 effective upon entry of the order, subject to its agreement to forbear as set forth in the  
10 Acres Agreement; Acres shall not seek to foreclose absent a further order from this Court;

11 (b) in the event that Acres exercises its remedy to foreclose as permitted  
12 by the Acres Agreement, the stay contained in the Receivership Order remains in effect as  
13 to all other parties and actions;

14 (3) The Receiver is authorized to retain FCM Law as special real estate counsel  
15 and to pay FCM Law in the ordinary course through the protective advances being made  
16 by Acres and the requirement that FCM Law file an application for allowance and payment  
17 of its fees is waived unless the fees exceed \$50,000.00;

18 (4) The Receiver is authorized to execute Residential Purchase Agreements  
19 substantially in the form submitted as Exhibits 10 and 11 to the Memorandum on behalf of  
20 Osgood and Almaden; The Receiver shall not execute any Residential Purchase  
21 Agreements regarding the 16 condominium units that will be subject of the Receiver's  
22 upcoming motions pending further court order.

23 (5) The sale of each unit of the Osgood Project, the legal descriptions for which  
24 are attached as Exhibit 1 to this Order, shall be free and clear of all liens (with all liens  
25 attaching to the proceeds of such sales with the same validity and priority they held with  
26 respect to the unit being sold), including the liens listed below, with the lien of Acres to be  
27 paid in the manner required by the loan agreements as modified by the Acres Agreement  
28 until its debt is paid in full and, after that occurs, any valid liens that remain unpaid at the

1 time of conveyance to be paid based on their order of priority against the Osgood  
2 Project:

3 (a) The lien of Yeong-Sae Kim et al., recorded as Document No.  
4 22555587 on March 26, 2014, which lien is disputed;

5 (b) The lien of Acres Loan Origination, LLC, recorded as Document No.  
6 2018193964 on October 5, 2018;

7 (c) The lien of Sathappan Venkatachalam recorded as Document No.  
8 2020363594 on December 24, 2020;

9 (d) A claim of lien of Sound-Crete Contractors, Inc. recorded as  
10 Document No. 2020371744 on December 31, 2020;

11 (e) A claim of lien of Whirlpool Corporation recorded as Document No.  
12 2021015395 on January 13, 2021;

13 (f) A claim of lien by SiliconSage Construction, Inc., recorded as  
14 Document No. 2021022672 on January 20, 2021;

15 (g) A claim of lien by The Scaffold Works, Inc., recorded as Document  
16 No. 2021055604 on February 8, 2021; and

17 (h) A claim of lien by Blackwell General Engineering, Inc., recorded as  
18 Document No. 2021056792 recorded on February 8, 2021

19 The sales of the individual units of the Osgood Project are free and clear of the  
20 liens referenced at 5(a) and 5(c) through (h) above without the necessity of the execution  
21 of a release or reconveyance by the lienholder, with the recording of this Order sufficient  
22 to remove the liens as an encumbrance of record;

23 (6) The sale of each unit of the Almaden Project, the legal descriptions for  
24 which are attached to this Order as Exhibit 2, shall be free and clear of all liens (with all  
25 liens attaching to the proceeds of such sales with the same validity and priority they held  
26 with respect to the unit being sold), including the liens listed below, with the lien of Acres  
27 to be paid in the manner required by the loan agreements as modified by the Acres  
28 Agreement until its debt is paid in full and, after that occurs, any valid liens that remain

1 unpaid at the time of conveyance to be paid based on their order of priority against the  
2 Almaden Project:

3 (a) The lien of Acres Loan Origination, LLC, recorded as Document No.  
4 24051016 on October 29, 2018;

5 (b) The lien of The Entrust Group Inc. FBO Abhinav Gupta  
6 IRA#7230007777 recorded as Document No. 24603787 on September 4, 2020;

7 (c) The lien of The Entrust Group Inc. FBO Neha Gupta  
8 IRA#7230007788 recorded as Document No. 24603788 on September 4, 2020;

9 (d) The lien of The Entrust Group Inc. FBO Abhinav Gupta  
10 IRA#7230007777 recorded as Document No. 24603789 on September 4, 2020

11 (e) The lien of The Entrust Group Inc. FBO Neha Gupta  
12 IRA#7230007788 recorded as Document No. 24603790 on September 4, 2020;

13 (f) The lien in favor of Abhinav Gupta recorded as Document No.  
14 24603791 on September 4, 2020;

15 (g) The lien in favor of Abhinav Gupta recorded as Document No.  
16 24603792 on September 4, 2020; and

17 (h) A claim of lien by SiliconSage Construction, Inc., recorded as  
18 Document No. 24823902 on February 9, 2021.

19 The sales of the individual units of the Almaden Project are free and clear of the  
20 liens referenced at 6(b) through (g) above without the necessity of the execution of a  
21 release or reconveyance by the lienholder, with the recording of this Order sufficient to  
22 remove the liens as an encumbrance of record;

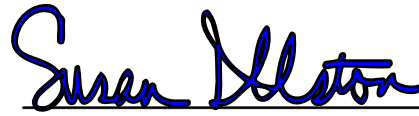
23 (7) Any licensed title insurer and the purchasers are authorized to rely on this  
24 Order as authorizing the Receiver to transfer legal title to the condominium units free and  
25 clear of all liens; and

26 (8) The Receiver is authorized to take any and all actions reasonably  
27 necessary to consummate the sale of the condominium units.

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1 **IT IS SO ORDERED.**

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4 Dated: December 7, 2021

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7 SUSAN ILLSTON  
8 United States District Judge  
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